

ORDINANCE No. 189596

*Authorize the purchase of certain real property located at 4931-4937 N Williams Ave and 20-114 N Alberta St for affordable housing not to exceed \$6.8 million plus closing costs (Ordinance)

The City of Portland ordains:

Section 1. The Council finds that:

1. On behalf of the City of Portland, the Portland Housing Bureau (“PHB”) administers programs using resources including tax increment financing (“TIF”) to support the development and preservation of affordable housing.
2. Beginning in fall 2014, the Portland Housing Bureau (“PHB”) sponsored a series of public forums to get feedback on an increase to PHB’s Interstate Corridor Urban Renewal Area (ICURA) tax increment financing (“TIF”) budget of \$20,000,000. The budget increase was a response to community input regarding gentrification and displacement of residents of North and Northeast Portland who had long-standing historical ties to the area.
3. In response to the public forum process, PHB, in partnership with the Mayor and the Housing Commissioner, developed the North/Northeast Neighborhood Housing Strategy (the “Strategy”). The Strategy was created to help address displacement of low and moderate- income households that had been historical residents of this area of Portland. Strategy #4 recommends acquiring “additional land to be used for permanently affordable housing” and addresses the community’s strong desire to preserve property within the ICURA for the development of affordable housing.
4. PHB has identified a site at 4931-4937 N. Williams Avenue and 20-114 N. Alberta Street within the ICURA (the “Property”). The approximately 42,100 square foot Property is currently zoned Commercial Mixed Use 2 (“CM2”). PHB believes redeveloping the Property could lead to the creation of approximately 100-150 housing units that would serve low and moderate-income households. In addition, for the newly created units, PHB would utilize its Preference Policy, also initiated through the Strategy, to prioritize households that historically lived or had family members that lived in the area.
5. Following the N/NE Oversight Committee’s recommendation to purchase the site and having identified the Property as appropriate for affordable housing, PHB negotiated an Agreement to purchase the Property (the “Agreement”) dated June 7, 2019 (the “Effective Date”) for \$6,800,000 (the “Purchase Price”).
6. PHB staff have completed review of due diligence materials including Phase I and Phase II environmental reports, the title report and a survey and have determined that the Property is suitable for affordable housing development.

7. The Agreement contemplates a closing date sixty (60) days from the Effective Date (the "Closing"). PHB has determined it has sufficient funds in its ICURA budget to execute the Closing.
8. Council's approval of the transaction is a necessary condition to the City's acquisition of the property which must take place no later than July 31, 2019

NOW, THEREFORE, the Council directs:

- a. The Portland Housing Bureau Director is hereby authorized to acquire the real property located at 4931-4937 N. Williams Avenue and 20-114 N. Alberta Street in an amount not to exceed the purchase price of \$6,800,000 and to pay, in addition to the Purchase Price, customary costs related to the Closing, and to enter into any and all agreements necessary to complete the transaction contemplated by this Ordinance.
- b. The Portland Housing Bureau Director is further authorized to approve amendments or modifications to the Agreement and related agreements within the maximum expenditure amounts approved under this Ordinance, and subject to approval as to the form of such documents by the City Attorney's Office.

SECTION 2. The Council declares that an emergency exists because a delay in the City's approval would delay Portland Housing Bureau's ability to acquire the property in accordance with the purchase agreement and compromise its ability to make the property immediately available for use for affordable housing; therefore, this Ordinance shall be in full force and effective from and after its passage by the Council.

Passed by the Council, JUL 10 2019

Mayor Ted Wheeler
Prepared by: Tanya Wolfersperger
Date Prepared: June 10, 2019

MARY HULL CABALLERO
Auditor of the City of Portland
By  Deputy

Agenda No.
ORDINANCE NO. 189596
 Title

*Authorize the purchase of certain real property located at 4931-4947 N. Williams Avenue and 20-114 N. Alberta Street, Portland for property costs not to exceed \$6,800,000 plus closing costs. (Ordinance)
For affordable housing
million

<p>INTRODUCED BY Commissioner/Auditor: Wheeler</p>	<p>CLERK USE: DATE FILED <u>JUL 01 2019</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance & Administration - Wheeler <i>W</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Hardesty</p> <p>Position 4/Safety - Eudaly</p>	<p>Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Housing Bureau Head: Shannon Callahan <i>[Signature]</i></p>	<p>ACTION TAKEN:</p>
<p>Prepared by: Tanya Wolfersperger Date Prepared: June 10, 2019</p>	
<p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: required for contract, code, easement franchise, comp plan, charter <i>AD</i></p>	
<p>Council Meeting Date July 10, 2019</p>	

AGENDA *7 of 3*

TIME CERTAIN
 Start time: ~~9:45 am~~ *10:15 am*

Total amount of time needed: 15 min.
 (for presentation, testimony and discussion)

CONSENT

REGULAR

Total amount of time needed: _____
 (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	<i>[Signature]</i>	
2. Fish	<input checked="" type="checkbox"/>	
3. Hardesty	<input checked="" type="checkbox"/>	
4. Eudaly	<input checked="" type="checkbox"/>	
Wheeler	<input checked="" type="checkbox"/>	